

Message Text

CONFIDENTIAL

PAGE 01 BONN 07459 291718Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 SS-15 SP-02 INR-07 NSC-05

DODE-00 CIAE-00 /050 W

-----301139Z 056161 /23S

R 291705Z APR 77

FM AMEMBASSY BONN

TO SECSTATE WASHDC 7846

INFO USMISSION USBERLIN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY BRUSSELS

C O N F I D E N T I A L BONN 07459

BRUSSELS FOR FAA

E.O. 11652: GDS

TAGS: EAIR, WB, GW, FR, UK, US

SUBJECT: CIVAIR: IGS FARE INCREASE PROPOSAL

REF: BONN 6654

1. PAN AMERICAN OFFICIALS RICHARD CARLSON AND ALFRED BLANCATO FROM NEW YORK ACCOMPANIED BY MANAGING DIRECTOR FOR CENTRAL EUROPE ANTHONY BERNACHIA ON APRIL 28 MADE FORMAL PRESENTATION TO CIVIL AIR ATTACHE (CAA) OF FARE INCREASE PROPOSAL FOR INTERNAL GERMAN SERVICE (IGS) SERVICES. REQUEST IS FOR OVER-ALL 7.8 PERCENT INCREASE TO THE CARRIER AND, BECAUSE OF THE SUBSIDY, 8.9 PERCENT TO THE PASSENGER. A BRITISH AIRWAYS TEAM IS DUE IN BONN APRIL 29 TO MAKE SIMILAR PRESENTATION TO BRITISH CAA.

2. CAA REMINDED PAN AM REPS THAT HE WOULD AWAIT DEPARTMENT VIEWS ON INCREASE BEFORE SEEKING ADVISE OF BERLIN CIVIL AVIATION ADVISORY GROUP (BCATAG) AND CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BONN 07459 291718Z

APPROVAL OF ALLIED CAA'S, AND THAT DEPARTMENT WOULD BE ASKED TO SEEK INFORMAL EVALUATION BY THE CAB STAFF. CARLSON SAID HE WAS CONFIDENT THE PROPOSAL WAS WITHIN CAB CRITERIA FOR FARE INCREASES.

3. ALLIED CAA'S APRIL 27 INFORMED FOREIGN OFFICE OFFICIAL HELD THAT L976 PERFORMANCE FIGURES WOULD

SHORTLY BE TURNED OVER TO THE FRG. WE SAID THAT A FARE INCREASE PROPOSAL TO THE CAA'S WAS IMMINENT AND, PROVIDED IT WAS FOUND ACCEPTABLE BY THE ALLIED GOVERNMENTS, WOULD BE OFFERED IN DUE COURSE FOR DISCUSSION IN BCATAG.

4. ON SUBJECT OF PERFORMANCE STATISTICS, CARLSON SAID PAN AM WAS WILLING TO PRESENT THEM ON AN ANNUAL BASIS AND DID NOT CARE WHETHER THEY WERE HANDED TO THE FRG AS RECEIVED FROM PAN AM OR COMBINED WITH BRITISH AIRWAYS FIGURES.

5. WE HAVE INDICATIONS THAT FRG FOREIGN OFFICE AND MINISTRY OF TRANSPORTATION OFFICIALS ANTICIPATED A FARE INCREASE REQUEST AND ARE RESIGNED TO IT, ESPECIALLY SINCE LUFTHANSA HAS JUST BEEN GRANTED AN EIGHT PERCENT INCREASE.

6. COMMENT: WE ANTICIPATE NO GREATER JOY IN BONN OR BERLIN AT THE PROSPECT OF HIGHER FARES THAN WAS EVIDENT WITH PAST INCREASES. IF CAB EXPERTS AND DEPARTMENT AGREE THAT COST INCREASES JUSTIFY A FARE INCREASE, WE ARE PREPARED TO APPROVE IT AND DEFEND IT BEFORE BCATAG, TAKING CARE TO GIVE THE GERMAN SIDE NO LEGITIMATE CAUSE FOR COMPLAINT ABOUT UNDUE TIME PRESSURE OR INSUFFICIENT DISCUSSION.

ACTION REQUESTED: WE WOULD APPRECIATE USBER'S VIEWS ON LIKELY MAGNITUDE OF ADVERSE REACTION IN BERLIN TO A NEW FARE INCREASE. DEPARTMENT'S VIEWS AS WELL AS CONFIRMATION THAT EXPERT OPINION OF CAB WILL BE

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BONN 07459 291718Z

SOUGHT WOULD ALSO BE APPRECIATED.
STOESSEL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEMARCHE, CIVIL AVIATION, AIRLINES, SUBSIDIES, AIR FARES, AVIATION AGREEMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 29-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BONN07459
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770151-1319
Format: TEL
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977046/aaaaaerl.tel
Line Count: 99
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 673fb2a5-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 BONN 6654
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2814453
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: IGS FARE INCREASE PROPOSAL
TAGS: EAIR, WB, GE, FR, UK, US, IGS, (CARLSON, RICHARD), (BLANCATO, ALFRED)
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/673fb2a5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009